



Alliance to End Slavery and  
Trafficking  
1700 Pennsylvania Avenue, NW  
Suite 520  
Washington, DC 20006  
[www.endslaveryandtrafficking.org](http://www.endslaveryandtrafficking.org)

February 6, 2014

Members of the California State Assembly  
State Capitol  
Sacramento, CA 95814

**RE: SB 477 (Steinberg) – SUPPORT**

Dear Members of the California State Assembly:

On behalf of the Alliance to End Slavery and Trafficking (ATEST), we are writing in support of SB 477 (Steinberg) as amended. ATEST is a US based coalition of eleven organizations that advocates for solutions to prevent and end all forms of human trafficking and modern slavery. The current member organizations address many different aspects of human trafficking, including both labor trafficking and sex trafficking. ATEST member organizations include: Coalition to Abolish Slavery and Trafficking (CAST), Coalition of Immokalee Workers (CIW), ECPAT-USA, Free the Slaves, International Justice Mission, Polaris Project, Safe Horizon, Solidarity Center, Verité, Vital Voices Global Partnership, and World Vision.

In ATEST member experience, legislation such as SB 477, to strengthen regulation of foreign labor recruiters, is an essential element in the prevention of human trafficking and forced labor. Labor recruiters are often complicit or directly involved in the trafficking of workers, exploiting U.S. nonimmigrant visa programs. These recruiters, who operate in a climate of impunity, lure impoverished and desperate foreign workers to the United States, promising jobs described as plentiful and lucrative. They rely on coercive tactics, charging guestworkers exorbitant illegal fees that often force the workers to stay in abusive or exploitative working conditions under debt bondage or other forms of slavery.

SB 477 takes important steps to require increased transparency by the registration of foreign labor contractors/recruiters in order to prevent exorbitant fees that result in situations of debt bondage or create vulnerability to other forms of human trafficking, forced labor, and modern-day slavery. In addition, SB 477 provides businesses and workers with helpful tools to identify and to utilize legitimate foreign labor recruiters. The Bill requires foreign labor contractors to obtain a certificate of registration (for a fee) from the Secretary of Labor, and employers who use registered foreign labor contractors will have a safe harbor from liability. Foreign labor contractors and companies would be subject to administrative and civil penalties for violations of this provision.

**ATEST has compiled a list of studies, as well as cases that document the extent of this type of abuse in the United States.**

- Studies that document the extent of this problem in the United States and abroad, include:
  - Close to Slavery: Guestworker Programs in the United States <http://www.sharedprosperity.org/splcenter.org.SPLCguestworker.pdf>;
  - Immigrant Workers in U.S. Agriculture: The Role of Labor Brokers in Vulnerability to Forced Labor, <http://www.verite.org/helpwanted/research-reports>; and
  - Visas, Inc: Corporate Control and Policy Incoherence in the U.S. Temporary Foreign Labor System, <http://www.globalworkers.org/our-work/publications/visas-inc>.

**Case examples of foreign labor recruiter criminal charged include the following:**

- In United States v. Askarkhodjaev, three defendants affiliated with Global Labor Solutions were successfully prosecuted by the Department of Justice on fraud in foreign labor contracting charges. These defendants were charged along with nine others in a labor trafficking case involving victims in at least fourteen states. The defendants coordinated with recruiting agencies abroad, as well as personally traveling to foreign countries, including Jamaica, the Philippines, and the Dominican Republic, to recruit vulnerable workers to be exploited in the U.S. hospitality industry under H-2B visas. Prior to leaving their home countries, workers were fraudulently promised provision of free housing, transportation, and food, as well as steady work that would allow them to easily pay back the exorbitant recruitment, visa application, and transport fees of up to \$5,000. Recruiting agencies also warned the workers that escaping from their U.S. employers would result in deportation and an ongoing debt for the fees. Workers, once recruited, were provided worse jobs and transported to different states than promised. They were housed in deplorable conditions for which they were charged “rent” deducted from their paychecks. As a result, workers made so little that they struggled to pay off the fees while being able to feed themselves. This situation was exacerbated by additional fees of up to \$3,000 for periodic visa renewal applications. The agency threatened that if a worker returned to his or her home country without permission, his or her family would be charged a fee of \$5,000.
- In David et al v. Signal International et al., the Southern Poverty Law Center brought a class action suit on behalf of hundreds of Indian guestworkers fraudulently promised green cards for themselves and their families. So alluring was this promise, that workers abruptly left their existing steady employment in India and as guestworkers in the United Arab Emirates. In exchange for recruitment to work in Gulf Coast shipyards in the aftermath of Hurricane Katrina, victims were charged as much as \$20,000. In order to pay, they took out substantial loans, liquidated their life savings, and sold their family homes and valued possessions, only to be trapped in guarded, overcrowded U.S.-based labor camps. The EEOC has also filed against Signal International based on violations arising from their discriminatory treatment of Indian nationals specifically.

- In Mairi Nunag Tanedo et al. v. East Baton Rouge Parish School Board et al., Universal Placement International, a foreign labor recruiter, trafficked qualified Filipino teachers into the United States to teach in Louisiana public schools. Prospective teachers were interviewed in-person in the Philippines or via videoconference from the United States. After paying a \$5,500 recruitment fee, prospective teachers were effectively committed to teaching in the United States because they could not otherwise pay back such a large fee. Only then did the recruiter notify them that a second fee of up to \$16,000 would be required. The teachers could work off these fees because of the deductions from their paychecks during later years of employment. Once in the United States, teachers who attempted to complain were silenced when the recruiting agency filed frivolous and expensive lawsuits against them.
- In United States v. Glah et al., employees of International Personnel Resources (IPR) were charged with numerous counts of immigration and visa fraud in connection with an illegal H-2B visa recruitment ring. IPR employees fraudulently applied for excessive H-2B visas for fictitious workers whose identities were plucked from a Mexican phonebook. Having successfully garnered a large portion of the annually available H-2B visas, IPR provided guestworker employers fraudulent visas for illegally recruited workers. Foreign workers from Mexico brought to work in Pennsylvania and New Jersey were then informed by IPR that rather than returning home after their seasonal employment visa had expired, they were required to accept winter employment in the Southeast on a supposed visa extension. The workers were told that if they were not willing to accept this work assignment, they would not be granted visas to work for their Northeastern employers the next year.

Thank you in advance for the leadership you have shown to combat this heinous crime. Should you have any questions, please feel free to contact Melysa Sperber, ATEST Director, at [msperber@humanityunited.org](mailto:msperber@humanityunited.org) or (631) 374-0749.

Sincerely,

Coalition to Abolish Slavery and Trafficking (CAST)

Coalition of Immokalee Workers (CIW)

Free the Slaves

International Justice Mission

Polaris Project

Safe Horizon

Solidarity Center

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Verité

Vital Voices Global Partnership

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**ATEST is a diverse alliance of U.S.-based human rights organizations, acting with a shared agenda to end all forms of modern-day slavery and human trafficking domestically and globally. ATEST member organizations include: Coalition to Abolish Slavery and Trafficking (CAST), Coalition of Immokalee Workers (CIW), ECPAT-USA, Free the Slaves, International Justice Mission, Polaris Project, Safe Horizon, Solidarity Center, Verité, Vital Voices Global Partnership, and World Vision.**